



# Information Bulletin

March 26, 1999

No: TT-2

**TO: LICENSED IMPORTERS OF TOBACCO PRODUCTS**

**RE: TAX RATE CHANGES UNDER THE TOBACCO TAX ACT, 1998**

As a result of the March 26, 1999 budget, the following changes apply to the rates of tax on tobacco effective March 27, 1999.

<u>PRODUCT</u>	<u>NEW TAX RATE</u>	<u>PREVIOUS TAX RATE</u>
Cigarettes and Tobacco Sticks:		
Individual	8.6¢	8.4¢
Carton (200)	\$17.20	\$16.80
Other Tobacco:	5.7¢ per gram	5.5¢ per gram
Cigars: Retail Selling Price (RSP)		
The tax rate is unchanged.	95% RSP max. \$2.50/cigar	95% RSP max. \$2.50/cigar

The increase in the Tobacco Tax rates will offset the loss in revenue, as a result of reducing the Education and Health Tax rate applied to tobacco products, from 7% to 6%, effective March 27, 1999.

Please adjust the tax on your inventory of tobacco products that are marked for sale in Saskatchewan, including orders filled but not shipped, as of the close of business on March 26, 1999. In addition, the tax on shipments in transit from suppliers must be revised according to the above schedule.

Please complete an inventory declaration form (copy attached) for each of your wholesale and cash and carry outlets and submit it along with your remittance, by April 20, 1999.

If further information is required, please phone 1-800-667-6102 (extension 1795) or write to the above address.

**INVENTORY DECLARATION OF TOBACCO PRODUCTS**

Collector \_\_\_\_\_ Inventory Taken-Date: \_\_\_\_\_ Time: \_\_\_\_\_

Address \_\_\_\_\_ Type of Operation: \_\_\_\_\_ Wholesale

Account # \_\_\_\_\_ Cash &amp; Carry

Location of Stock At Old Tax Rates	Cut Tobacco # Grams	Cigarettes and Tobacco Sticks (Individual)
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**(1) On Hand**

- In warehouse	_____	_____
- On shipping floor	_____	_____

**(2) In Transit**

Supplier Invoice #	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

**(3) Total Quantities  
(Items 1 + 2)**

_____	_____
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(4) Tax Rate Increase	0.2¢	0.2¢
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(5) Total Tax Payable (Items 3 x 4)	\$ _____	\$ _____
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Total From Item 5	= \$ _____
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Less Commission (Item 5 x 0.0025)	= \$ ( _____ )
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Tax Remitted	= \$ _____
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I hereby certify that, to the best of my knowledge and belief, the information contained in this declaration is correct and all relevant facts have been revealed.

DATE \_\_\_\_\_ SIGNATURE \_\_\_\_\_

Please make cheques payable to the Minister of Finance.